

PUBLIC UTILITIES COMMISSION

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Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

**Re: Ex Parte Presentation in FCC Docket 99-200
In the Matter of Number Resource Optimization**

Dear Ms. Salas:

Pursuant to 47 C.F.R. §§ 1.1206(b)(1) and (2), the Office of Ratepayer Advocates of the California Public Utilities Commission submits for filing this summary and enclosed attachment of a recent ex parte communication between Ms. Natalie Billingsley and the following staff members of the Federal Communications Commission:

Mr. Yog Varma
Ms. Blaise Scinto
Ms. Tejal Mehta
Mr. David Furth
Mr. John Spencer

On August 23, 1999, Ms. Billingsley provided a briefing on the views of the Office of Ratepayer Advocates and the California Public Utilities Commission on numbering issues and number resource optimization measures. The briefing lasted approximately one and a half hours. The attached Briefing Package was the basis for this discussion.

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Ms. Billingsley emphasized the seriousness of the numbering crisis in California, and urged that the FCC should grant California's pending Petitions for additional authority, particularly with regard to authority to order mandatory 1,000 block number pooling.

Thank you for your assistance in making these materials part of the record.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrew Ulmer", with a long horizontal stroke extending to the right.

Andrew Ulmer
Attorney for the Office of Ratepayer Advocates

Enclosure

cc: Ms. Natalie Billingsley (w/enclosures)
Helen M. Mickiewicz, Esq. (w/enclosures)

BRIEFING ON NUMBERING ISSUES

Presented to:

THE FEDERAL COMMUNICATIONS COMMISSION

By:

THE OFFICE OF RATEPAYER ADVOCATES

CALIFORNIA PUBLIC UTILITIES COMMISSION

**Washington D.C.
August 1999**

CALIFORNIA'S AREA CODE RELIEF PROCESS

❖ California's area code relief process is industry driven:

- The NANPA declares a freeze on NXX code assignments in "at risk" NPAs.
- The industry team and the NANPA determine whether to place an area code into jeopardy and/ or whether to initiate NXX code rationing.
- The industry team and the NANPA develop area code relief proposals and proposed relief dates; the CPUC informally provides technical assistance.
- Pursuant to California state law, relief proposals are presented to local jurisdiction officials and the public to solicit input; the CPUC helps moderate meetings which include a panel of industry members and the NANPA.
- The industry team and the NANPA finalize recommendations on area code relief proposals and submit them to CPUC for approval.
- The CPUC's formal involvement begins when it receives the industry relief plan. The CPUC determines which relief plan will be implemented and relief plan implementation dates. The CPUC renders decision on any formal complaints, petitions, or protests associated with an area code relief plan, as needed.

❖ Other state law provisions which impact the area code relief process:

- The NANPA must provide written notice to the CPUC at least 30 months prior to the projected opening of a new NPA.
- Telecommunications providers must provide written notice to customers at 27 months, 12 months and 3 months prior to the projected opening of a new NPA.

ROADBLOCKS TO CPUC CONSERVATION AND NUMBERING EFFORTS

❖ California industry's difficulty in reaching consensus

- Industry members requested that the CPUC resolve how and who should handle number conservation in California.
- The industry often cannot reach consensus on a single area code relief plan; the CPUC makes the final determination between alternatives.
- The industry was unable to reach consensus on certain NXX code lottery procedures; the CPUC resolved these issues.

❖ Problems with rate center consolidation (RCC)

- In September 1998, Pacific Bell and GTE California, Inc. reported to the CPUC that none of their rate centers could be consolidated with an adjacent rate center without serious impact.
- The industry Numbering Task Force has met a number of times to evaluate the feasibility of RCC and develop implementation criteria.
- In July 1999, the Task Force reported to the CPUC that it believes RCC is technically feasible, although some technical issues require further investigation. Comments are due to be filed with the CPUC in September and October 1999.
- However, the Task Force was unable to develop criteria for determining which rate centers should be consolidated or how RCC should be implemented.

ROADBLOCKS TO CPUC CONSERVATION AND NUMBERING EFFORTS

(Continued)

- The major obstacle to development of RCC criteria is the incumbent LEC's insistence that implementation of RCC should be revenue neutral for them.
- Rate center consolidation is likely to have profound, permanent impacts on intrastate local calling rates.
- RCC is likely to be a lengthy and very contentious process. It will require several years to implement due to the protracted litigation and complex rate rebalancing issues.
- RCC will be of limited value unless it is also combined with other measures, particularly number pooling.

❖ Obstacles to number pooling and associated measures

- In December 1998, Pacific Bell protested a CPUC provision on how NXX codes are used in a NPA subject to relief. Pacific Bell did not protest adoption of this provision prior to the issuance of the Pennsylvania Order.
- In March 1999, the California Number Pooling Task Force reported to the CPUC that a voluntary number pooling trial, per the Pennsylvania Order, was not viable since the largest ILECs and, correspondingly, most CLECs and interexchange carriers would not volunteer to participate.
- In March 1999, the Task Force recommended against adoption of any measures that pertain to how numbers within NXX codes are used by providers and, instead, recommended adoption of a broad policy that providers voluntarily assign numbers efficiently.

CPUC'S SPECIFIC RECOMMENDATIONS IN VARIOUS FCC FILINGS

❖ Petition for Reconsideration of the Pennsylvania Order

- Authority to implement NXX code rationing after jeopardy has been declared but before a relief plan has been adopted or a relief implementation date set.
- Definition of a “state-imposed code rationing plan”, as the FCC intended in the Pennsylvania Order. The CPUC adopted a rationing plan proposed by industry consensus, but resolved two issues at the industry’s request. FCC staff expressed view that this created a “state-imposed code rationing plan”.
- Explicit authority to resolve disputes among industry participants pertaining to the terms and conditions of an NXX code rationing plan when the industry does not reach consensus on those terms and conditions.
- Reconsideration of the FCC’s decision not to allow states to order mandatory number pooling.
- Establishment of FCC guidelines for mandatory number pooling trials.
- Clarification of the Pennsylvania Order to expressly affirm state authority to implement NXX code conservation measures such as rate center consolidation, fill rates, or sequential numbering in any NPAs in need of relief, and not just in conjunction with individual relief plans.
- FCC establishment of a regular forum, such as quarterly meetings, for the states and the FCC to communicate directly about area code relief planning and implementation, and their impacts on the public.

CPUC'S SPECIFIC RECOMMENDATIONS IN VARIOUS FCC FILINGS

(Continued)

❖ Petition for Delegation of Additional Authority, filed November 1998

- Explicit authority to continue to conduct the California monthly NXX code lottery.
- Explicit authority to resolve disputes among industry participants pertaining to the terms and conditions of an NXX code rationing plan when the industry does not reach consensus on those terms and conditions.

❖ Petition for Delegation of Additional Authority, filed April 1999

- Explicit authority to order a mandatory number pooling trial, which could include 1,000 block pooling and individual telephone number pooling.
- Explicit authority to order efficient number use practices within NXX codes, such as sequential numbering and fill rates.
- Explicit authority to hear and address requests by individual carriers for assignment of codes outside the California monthly NXX code lottery. (In the Pennsylvania Order, the FCC ordered the NANC to submit, with 60 days of that order, a recommendation on this issue. The NANC has not yet submitted a recommendation.)
- Explicit authority to order carriers to return to the code administrator unused NXX codes.
- Explicit authority to order the return of unused or under-utilized portions of NXX codes to the pooling administrator when one is selected. California is aware that the NANC has recommended that Lockheed-Martin be appointed the pooling administrator.

CPUC'S SPECIFIC RECOMMENDATIONS IN VARIOUS FCC FILINGS

(Continued)

❖ Petition for Waiver, filed April 1999

- Explicit authority to consider establishing service-specific or technology-specific area codes.

❖ Comments on the Numbering Resource Optimization NPRM, filed July 1999

- Some of the proposals in the NPRM would not protect the public interest.
- The societal costs of area code relief, implementation of the network architecture to support local competition, and possible NANP exhaust are enormous. The public has borne the burden of paying for all of them.
- The states are best equipped to determine which number optimization and conservation measures would be most effective for the individual circumstances in each state. A one-size-fits-all approach would not accommodate these differences and would be ill-advised.
- Don't hold number pooling hostage to rate center consolidation. RCC will take several years to implement; 1,000 block number pooling could be implemented in two to four months after the FCC grants California the authority to do so and the CPUC orders implementation.
- The states need authority to order implementation of any number conservation and optimization measures they determine to be necessary, including sequential number assignment, utilization thresholds, individual telephone number pooling and unassigned number porting.

CPUC'S SPECIFIC RECOMMENDATIONS IN VARIOUS FCC FILINGS

(Continued)

- Authority is urgently needed to implement conservation measures. The NANP is a public resource which the state commissions and the FCC are charged with ensuring is used to benefit the public interest. The commissions, not industry participants, should have the authority to determine what measures are needed and order their implementation by service providers.
- The states need authority to order implementation of any number conservation and optimization measures they determine to be necessary, including sequential number assignment, utilization thresholds, individual telephone number pooling and unassigned number porting.
- The public is paying the price of NPA relief and LNP. Conservation measures must be implemented swiftly in order to prevent NANP exhaust. The public should not be forced to pay the enormous cost of NANP expansion, particularly since the expansion is entirely preventable.
- All service providers should be required to participate in number pooling or any other optimization measures.
- Implementation of number pooling should not be limited to the top 100 MSAs.
- Utilization information is necessary and service providers should be ordered to provide the data to whatever entity is charged with conducting the utilization audit.
- Service providers requesting numbering resources should be required to provide a verification of need for the resource. State commissions should be allowed to establish utilization rates. Alternatively, if the Commission elects to establish default utilization rates, states should be allowed to deviate from these rate(s)

CPUC'S SPECIFIC RECOMMENDATIONS IN VARIOUS FCC FILINGS

(Continued)

- Enforcement is crucial; the FCC should delegate enforcement authority to those states requesting such authority.
- The Commission should immediately grant California's Petitions.